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UNCLAS SECTION 01 OF 02 HO CHI MINH CITY 001200

SIPDIS

SENSITIVE

FOR USAID/RDM-A/BANGKOK
STATE FOR G; CA/OCS/ACS/EAP; EAP/EX; EAP/MLS; EAP/EP;
EB/TPP/ABT/ATP;
INR; OES/STC (PBATES); OES/IHA (DSINGER AND NCOMELLA)
BANGKOK FOR RMO, CDC, USAID/RDM/A (MFRIEDMAN)
USDA FOR FAS/PASS TO APHIS
DEPARTMENT OF DEFENSE FOR OSD/ISA/AP (LSTERN)
USAID FOR ANE AND GH (DCAROLL, SCLEMENTS AND PCHAPLIN)
STATE PASS USTR (ELENA BRYAN)
STATE ALSO PASS HHS/OGHA (EELVANDER)
ROME FOR FAO

E.O. 12958: N/A

TAGS: [EAGR](#) [ETRD](#) [EAID](#) [PGOV](#) [TBIO](#) [SOCI](#) [PINR](#) [CASC](#) [AMED](#) [VM](#) [AMGMT](#) [AFLU](#)
SUBJECT: POULTRY ALMOST UNAVAILABLE IN HCMC

REF: HANOI 2991

1. (U) SUMMARY: Ho Chi Minh City authorities are tightening restrictions on the sale of poultry within city limits as part of its avian influenza prevention plan. Several large supermarkets in HCMC have halted sales of domestic poultry, though they still plan to sell eggs. Combined with the GVN's recent decision to temporarily ban all imports of unprocessed poultry products (reftel), these moves mean chicken will no longer be available. END SUMMARY.

2. (U) On November 6, Dr. Nguyen Thien Nhan, First Vice-Chairman of the HCMC People's Committee and head of HCMC's Steering Committee for Avian Influenza (AI) Prevention and Control, announced new measures to prevent bird flu, including:

--a ban on raising of poultry within HCMC limits, effective November 15;

--assistance to HCMC poultry farmers for their transition out of poultry farming;

--a requirement that the HCMC Department of Trade unveil by November 10 a more stringent plan to inspect all poultry and poultry products entering the city.

HCMC has already banned the sale of live poultry within the city and has increased the number of inspectors certifying poultry products for sale.

3. (U) To facilitate ending poultry farming within city limits, HCMC will buy farmers' poultry stock - albeit at below-market rates - and will assist in cleaning and decontaminating local poultry farms. Farmers must turn their livestock over to the city before November 15 to receive payment. HCMC will also provide loans up to VND 4 million (about USD 252) to each household that raises poultry. Small-scale poultry traders will also be encouraged to shift to other occupations with a small subsidy of VND 300,000 (about USD 19) per household for vocational training and loans of up to VND 2 million (about USD 126) per trader.

4. (U) Major HCMC supermarkets are also taking Vietnamese poultry products off their shelves. Citimart and Maximart, which have tens of outlets in the HCMC area, told us they will stop selling domestic poultry. Citimart has plans to stop selling eggs as well; Maximart plans to continue selling both chicken and duck eggs, though its egg sales are down by as much as 70 percent. The HCMC outlets of Metro, a big-box quasi wholesaler stopped selling domestic chicken at the beginning of November.

5. (SBU) COMMENT: Though agriculture, including the raising of livestock, only accounts for 2 percent of HCMC's GDP, local agriculture experts say HCMC's policies set the standard for the rest of southern Vietnam, particularly the Mekong Delta. It is too early to tell whether other southern provinces will adopt similar policies given that agriculture plays a much stronger role in those economies. The fact that the GVN has halted the import of unprocessed poultry products and the decision to remove local poultry from supermarket shelves means that HCMC consumers will no longer be able to put chicken on the table.

WINNICK